

AWMM Ann Report
1998 to 1999

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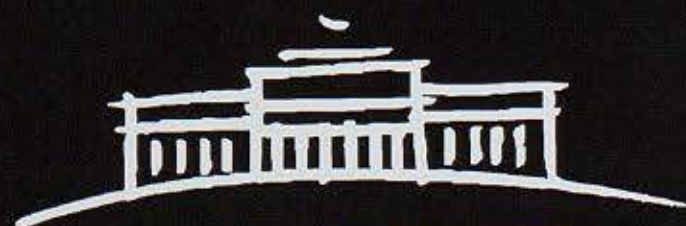
AUCKLAND MUSEUM

WAR MEMORIAL

AUCKLAND

Annual Report

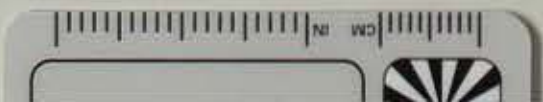
1998/1999



Auckland Museum
Te Papa Whakahiku

AWMM Ann Report
1998 to 1999

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AWMM Ann Report
1998 to 1999

**ANNUAL REPORT
1998/1999**



AWMM Ann Report 1998 to 1999

AUCKLAND WAR MEMORIAL MUSEUM

Our *Vision*

To be the *hub of our culture*

Bringing *real treasures* outstanding collections

real tales stories celebrating our heritage, inspiring our future.

Our *Mission*

Is *caring for treasures*

collecting, protecting,
preserving objects and materials.

gathering knowledge

studying and interpreting our heritage and
environment through our treasures.

sharing

knowledge

displaying our collections, mounting exhibitions,
providing interpretive and information
programmes and delivering
excellent visitor service.

Concerning the Auckland region, then New Zealand, the South Pacific
and generally the rest of the world.

For the enjoyment and enlightenment of Aucklanders and visitors in
order to be Auckland's outstanding attraction.

Our *Values*

openness, honesty and integrity, respect for all, for cultural diversity,
and for the goodwill envisaged in the Treaty of Waitangi, honour for
the war dead.

Our *Commitment*

professionalism and accountability, the effective use of available
resources, inspiring all to visit and wish to return.

**AUCKLAND MUSEUM
TAUMATA-A-IWI
KAUPAPA**

Auckland War Memorial Museum is governed by the Auckland Museum Trust Board, a Board of Trustees whose duties, functions and powers, and their responsibilities to ten statutory objectives are set out in the Auckland War Memorial Museum Act 1996. Paramount amongst their responsibilities is the trusteeship and guardianship of the Museum, and its extensive collections of treasures and scientific materials.

The Museum's Act also provides for a Maori Committee known as the Taumata-a-Iwi. The Taumata-a-Iwi is responsible for the provision of advice and assistance to the Trust Board in a series of matters set out in the Act. The Taumata-a-Iwi acts in a trustee role in representing the interests of Iwi and advising the Trust Board on matters of custodial policy and guardianship of Maori taonga of whatever kind and tribal sources. They are also required to advise the Trust Board on staffing, display and development policies.

This Kaupapa sets out the principles upon which the Taumata-a-Iwi will discharge its responsibilities to the Museum Trust Board. [adopted by the Auckland Museum Trust Board 7 October 1998]

PRINCIPLE I: THE RIGHT TO ADVISE

The Auckland War Memorial Museum Act 1996 empowers the Taumata-a-Iwi to give advice on all matters of Maori protocol within the Museum and between the Museum and Maori people at large.

Museum policies will reflect the aspirations of both Treaty partners by acknowledging that existing and proposed policies will be reviewed by the Taumata-a-Iwi and recommendations to the Auckland Museum Trust Board will be made accordingly.

PRINCIPLE II: PARTNERSHIP

Both the Auckland Museum Trust Board and the Auckland Museum Taumata-a-Iwi will act reasonably and in the utmost good faith by observing and encouraging the spirit of partnership and goodwill envisaged by the Treaty of Waitangi, the implications of mana Maori and elements in the care of Maori cultural property which only Maori can provide.

PRINCIPLE III: IWI EXPECTATIONS

The Taumata-a-Iwi recognises the right of iwi to expect the Taumata-a-Iwi to monitor the care and management of their taonga within the Museum on their behalf.

PRINCIPLE IV: ACTIVE PROTECTION

The Taumata-a-Iwi will provide advice to the Auckland Museum Trust Board, and the Trust Board will protect the rights of Maori in the Museum by:

- (i) safeguarding the lore of Maori
- (ii) providing appropriate custody, care and development of all taonga
- (iii) taking affirmative action in recruitment and training programmes, which will lead Maori people into professional careers in New Zealand's bicultural museums.

PRINCIPLE V: REDRESS FOR PAST MISUNDERSTANDINGS

The Museum Trust Board acknowledges that there may be misunderstandings from the past related to taonga that need to be addressed and that there is a responsibility to seek advice from the Taumata-a-Iwi, and to:

- (i) objectively explore and assess each example as it comes to light
- (ii) put in place practices that minimise and eliminate future needs for redress.

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CHAIRMAN'S MESSAGE

This is the third annual report of the Auckland Museum Trust Board. It is pleasing that as our reporting processes mature we will publish this year, in parallel with our statutory report, a more extensive 'Annual' which will further inform readers on aspects of the Museum's work. Both documents will be lodged with Regional Public Libraries and be available on request from the Museum's office.

The financial stability achieved during the 1997/98 year was maintained throughout 1998/99. The net operating result, before depreciation and deferred maintenance and after a transfer from the exhibition reserve account of \$75,000 to offset a disappointing financial outcome of the 'Wearable Art' exhibition, just bettered the Annual Plan.

Total commercial activity revenues at \$533,000 were \$185,000 below plan. That shortfall included the 'Wearable Art' exhibition deficit.

The admission by donation entry regime signalled in the Annual Plan was successfully implemented with one unplanned change. The \$2 charge previously made for use of the Children's Discovery Centres was

removed. Visitor response to the regime has been encouraging although visitor numbers have fallen below expected levels. The decline is due to several causes, the most significant of which is certainly not implementation of the new entry regime.

Deferred repairs and maintenance for the year exceeded plan by \$379,000. This is because work was undertaken which was funded by a \$US250,000 grant from the Getty Grant Program in Los Angeles, the maximum funding available from their scheme. The Getty grant provided assistance with the restoration and strengthening of the memorial laylight in the Museum's entry foyer and cleaning and restoration of the exterior of the building. This was their first grant towards the conservation of a heritage building in New Zealand.

Other refurbishment project works have progressed as planned. The base funding continued to be supplied by Auckland Regional ratepayers through the rating levies applied in Auckland, Manukau, North Shore and Waitakere Cities, and Franklin, Papakura and Rodney Districts, as well as by Central Government. Community support of the Project has been exceptional.

The ASB Charitable Trust generously granted a further \$2,750,000 towards the work while the Sky City Community Trust made a grant of \$100,000 and the Sir John Logan Campbell Residuary Trust donated \$75,000.

Close to 90 individual families in Auckland responded to the Museum's 'Names in Stone' fundraising campaign, providing by August 1999 when the campaign closed, more than \$1,100,000 net of cost. The Trust Board's congratulations and warmest thanks go to Mrs Lyndy Sainsbury, Chairperson of the Museum 2000 Circle Committee responsible for this considerable success, and her tireless 'lieutenant' Mrs Anna Nathan. Theirs has been a magnificent effort.

Further grants were received from the C & L Trust, to assist with exhibits in the Natural History 'Oceans' Gallery, Timberlands West Coast Ltd and the Portage Charitable Foundation for the funding which made possible the retrieval of a Plesiosaur fossil at Kaikoura for display in the 'Origins' Gallery. New Zealand Insurance provided a grant to assist conservation work in the Museum's Library. Members of Auckland's Jewish

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Community provided valuable funding assistance to support the 'Precious Legacy' exhibition, and the Museum owes a considerable debt of thanks to those individuals and to Adam Ross for his work in obtaining that support. To all these people I extend the thanks of the Board.

The Board's Annual Plan for the year under review established 14 key objectives, expanded into a large number of outputs and measurable targets, the great majority of which were exceeded or met, or were not achieved for legitimate reasons or by a margin which was acceptable to the Board. Sponsorship for exhibitions and a web site was not achievable. As noted above, although the exhibitions held were worthy of better public support than they received they did not succeed in meeting target visitor or income levels. As a result the exhibition reserve of \$419,000 created in 1997/98 was drawn against to the extent of \$75,000.

I extend the Trust Board's thanks to all who have supported the Project, our new galleries and delivery of programmes to the collections and our public, and our exhibitions. We need and value the help of the Taumata-a-Iwi, RSA and other

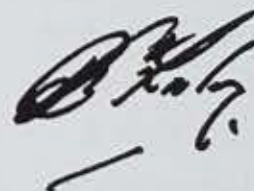
volunteers, our staff, consultants and contractors, and our supporters in the community.

Deputy Trust Board Chairman Professor Richard Bellamy and Ms Lorraine Wilson retired from the Board in October 1998 and were replaced by Ms Anne Grace and Mr John Coster, both appointees of the Auckland Museum Institute Council. Mr Peter Drummond, who retired by rotation, was reappointed by the Territorial Local Authorities Electoral College. I wish to thank Professor Bellamy and Ms Lorraine Wilson for two years of valuable service to the Board and many more valuable years of service to its predecessor the Council of the Auckland Museum and Institute. The Board elected Mr Bruce Anderson to succeed Professor Bellamy as Deputy Chairman.

The following Board members' terms of office expire in October 1999, Rod Bielecki, Gordon Ell, Kay McIntyre, Barry Turley, Arthur Valabh.

As was indicated in the Board's 1998/99 Plan, throughout this year considerable effort has been directed by staff and Trust Board alike to the Museum's future. The Museum's Vision, Mission, Values and Commitment statement form

the foundation upon which ten-year planning has been built. Principle building blocks of 'Caring for Treasures', 'Gathering Knowledge' and 'Sharing Knowledge', drawn from the Museum's Mission Statement, will continue to guide the structure for our operations, our allocation of resources, programme delivery and our accountability to the community. They form the structure for the Draft Ten Year Outlook which we will publish for public submission in the Draft Annual Plan 2000/2001.



Barry C Turley

DIRECTOR'S REPORT

New Project works for 1998/99 rose, Phoenix-like, from the dust, noise, dirt and disruption of the mid-1998 seismic shear wall construction designed to strengthen the middle section of the Museum building. Up until that moment much of the work which had taken place was structural, services oriented or involved the restoration of the internal fabric of the building. Not a great deal could be seen for it. But from July 1998 onwards the Project pace and emphasis changed, redirecting itself to the delivery of the new galleries and exhibitions which were scheduled to open at the beginning of 1999, and which will continue to be delivered through the later part of the year leading up to final completion at Christmas.

Four out of five new Natural History Galleries opened in January. 'Origins' is devoted to the deep geological past of New Zealand from Gondwana to approximately a thousand years ago. 'Land' celebrates the biodiversity of New Zealand through a variety of reconstructed land habitats, as does 'Oceans' with several on-shore and deep ocean environments. The final gallery contains 'Matapuna', the Natural History

Information Centre, and 'Human Impacts', an impressive set of displays on the impact of imported animals and plants. The fifth gallery, a unique exhibition featuring Maori knowledge of the natural environment, will open in December 1999.

'Pacific Masterpieces', a strikingly beautiful gallery featuring some 700 Oceanic objects from a Tikopean canoe to the most finely carved jewellery, also opened in January. Its companion gallery, 'Pacific Lifeways', opened as work-in-progress, allowing visitors the opportunity to see some of the behind-the-scenes craftsmanship involved in preparing objects for display, building their display mounts and installing exhibitions.

The 'Logan Campbell Gallery' was completed and installed at the eastern end with a remarkable period-style exhibition from the Applied Arts collections of the Mackelvie Trust, and, at the western end, with nineteenth and twentieth century Japanese Applied Arts. Two new galleries were created on the ground floor at the rear of the Museum in an area that was previously a rather uninspiring corridor. It is here that the Museum's splendid collection of early musical instruments will be

featured.

Important acquisitions which feature in these new galleries include the fossil remains of a plesiosaur recovered from the intertidal zone at the bottom of a cliff face at Oaro near Kaikoura in 1998. We are indebted to the Kaikoura Historical Society for their support throughout a difficult process of consent, recovery and transport, and to Timberlands West Coast Limited for their support and the provision of a helicopter, together with the Portage Charitable Foundation for funding assistance. The fossil was recovered in two mirror-image halves – one resides now at the Museum in Kaikoura, while the other is a prominent feature in this Museum's 'Origins' Gallery.

The second major acquisition featured in the Museum's new displays is the Castle Collection of early musical instruments. The Museum purchased the entire collection of some 300 instruments, assembled in Wellington over many decades by Zillah and Ronald Castle. It contains a great diversity of instruments, expanding a small collection of European instruments and a strong collection of ethnographic instruments already owned, into a major strength.

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Full-size dinosaur casts were manufactured for the 'Origins' gallery with the support of the Sir John Logan Campbell Residuary Estate, and a number of impressive fish casts were obtained for the 'Oceans' gallery with funding from the C & L Trust.

The Museum has observed the practice of returning Koiwi (or Human Remains) to Maori where their Iwi origins are known and Iwi have requested them. As a consequence, the Trust Board responded to a request for the return of two Porihihi Tupuna to Poroti Marae in Northland for subsequent burial on April 2, 1999.

While the special exhibitions programme was suspended early in 1999 to allow the galleries to function as preparators' workshops to prepare collections for display in the Maori, New Zealand History and Applied Arts galleries, a number of successful exhibitions were held during the year. Paramount among them was 'Precious Legacy', a collection of Judaic treasures confiscated by the Nazis during the Holocaust, and now housed in the Jewish Museum in Prague. The exhibition was warmly and generously supported by Rabbi Lawrence and a large number of volunteers from

Auckland's Jewish community, and served to illustrate the remarkable and beautiful heritage of Central European Jewry, as well as to serve as a continuing warning of the shadow side of the human psyche. 'The Mulvany Sisters', an exhibition of exquisite 1930s textiles by two remarkable Auckland weaver sisters, was both a splendid exhibition and insight into one of the many beautiful and valuable collections which collectively comprise the collection richness that characterises this Museum. Two further exhibitions of Applied Arts completed a trilogy of excellent exhibitions; a stunning installation of glass by René Lalique and a strikingly elegant show of Humphrey Ikin's furniture.

The cultural group Pounamu continued to provide excellent entertainment to Museum visitors, and, indeed, provided an invaluable Maori presence during the difficult period of closure of the Maori galleries. Pounamu have been stoical in their tolerance of frequent relocations around the Museum as operations have attempted to remain one step ahead of refurbishment gallery closures.

Four important awards

were bestowed on the Museum, its staff and its consultants during the year. These included the Auckland Parents' Centre Award for educational excellence for the Children's Discovery Centre, 'Treasures and Tales', and the NZIA Resene Architectural Award presented to its designer Rick Pearson; the 3M Award for Innovation awarded to the Cenotaph Database in 'The Armoury' through the Library Association; and the Royal Society of New Zealand Bronze Science and Technology Medal presented to Katrina Stamp for her services to science, education and, especially, for her work in developing the Museum's two Discovery Centres. Those individuals and teams responsible receive the well-deserved congratulations and thanks of their staff colleagues and the Trust Board.

While the Museum was honoured to be recognised in these ways, it also elected to introduce an awards system of its own. The Trust Board has bestowed the following awards, and will present the medallions to the first recipients in November.

Fellow of the Auckland War Memorial Museum: Dr Lucy May Cranwell Smith, Dr Janet Marjorie Davidson.
Companion to the Auckland

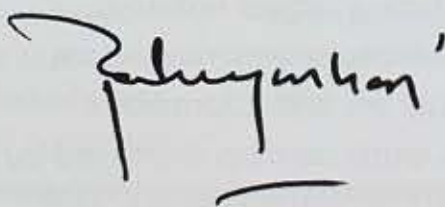
War Memorial Museum:
Sheila Mary Weight MNZM.
*Associate Emeritus of the
Auckland War Memorial
Museum:* Trevor James
Bayliss, Enid Annie Evans
Q.S.M., Evan Graham Turbott
Q.S.O., Keith Arthur J Wise.

In January, a formal Memorandum of Understanding was signed by the Museum and the University of Auckland. This is part of a move by both institutions to 'dismantle the walls' and combine resources in pursuit of greater opportunity and greater excellence. This initiative provides a formal framework which will allow continuation of activities which improve access to collections for the University, involve post-graduate and post-doctoral students and University staff at the Museum, and which may possibly lead to cooperation with certain teaching programmes in the future.

There were many important visitors to the Museum during the year. The 'Precious Legacy' exhibition saw a major contribution from Rabbi Jeremy Lawrence of Beth Israel and a visit from Dr Arno Parik, Curator of the Jewish Museum in Prague. The Race Relations Conciliator, Dr Rajen Prasad and his office were regular visitors, and Secretary of

State Ms Madeleine Albright visited the Museum as part of her brief visit to New Zealand on August 1. Veterans of C Company 28 Maori Battalion and people involved in the impressive documentation of C Company honoured us with an impressive presentation of the Battalion's history and their work in recording it.

It has been an industrious and productive year for the Museum. Staff and volunteers have continued to work in trying conditions, and often ongoing programmes of work have had to be suspended in order to respond to the demands of the refurbishment project. But much has been achieved and morale steadily improved during late 1998 to a most encouraging level when surveyed in November. On behalf of the Museum's visitors who use and enjoy our services and programmes, I want to thank the staff, the volunteers, the contract staff, contractors and consultants for a very successful year.



TL Rodney Wilson
Director

KEY PERFORMANCE
INDICATORS

The 1998/99 year has been a busy but productive one for the Museum, delivering excellent performance in several areas of the Museum's operations and its refurbishment project.

As the refurbishment project approaches its conclusion in December 1999, the emphasis has moved from a preponderance of structural, services and building restoration work, to greater delivery of finished galleries and public amenities. The completion of the 'Pacific Masterpieces' gallery and four Natural History galleries has been a major achievement for the staff team. All galleries were delivered on time and on budget, and to a very high level of quality. Overall the project has been maintained within budget and on time.

The Museum's fundraising activities have continued the success of former years. The 'Names in Stone' campaign, which sought donations from families and individuals, ended the financial year exceeding its target of \$1,000,000 net. Support for it continued to grow after June 30, illustrating the strength of commitment many Aucklanders feel for their Museum.

Grant funding and some

sponsorship activity has achieved or exceeded target, although the suspension of the special exhibitions programme during the second half of fiscal 1999 meant that some targets were not achieved. The 'Precious Legacy' exhibition was very well received, and was highly regarded by visitors and by an external review team invited to review the exhibition. 'Wearable Art', by contrast, was difficult to find in the Museum because of the impact of construction work, and was also launched at the time the public's attention was captured by the new Pacific and Natural History galleries. It delivered a disappointing result.

Growth in the use of many Museum services has been encouraging. School visits grew by 10% on the previous year, and satisfaction from school visitors was recorded at 99.5%. The Children's Discovery Centres continued to deliver very popular programmes for schools and families, with extremely high visitation on weekends and during school holidays. Revenues generated from Library and Information Centre services increased by 100% on the previous year.

Strategic planning was a major focus for staff and

Trust Board alike during 1998/99, leading to redefinition of the Museum's Vision, Mission, Values and Commitment, and to the preparation of a Ten Year Outlook which will be published for public submission in November. A comprehensive review of all collections was also completed at June 30.

The major new development in improving the Museum's income and therefore its services to its customers – was the introduction of the Admission Donation scheme at the end of January. Although there has been some debate about the merit of this, public response at the Museum has been positive and supportive. Net revenues of 90% of target were achieved in the first five months of the scheme's operation and we are confident of continued success through the first full year of operation.

SERVICE PERFO
ANCE INDICATO

TREASURES

OUTPUT
Commission
'Collections
Development' Plan

OUTPUT
Achieve or better
financial outcome
1999 plan

OUTPUT
Achieve or better
funding targets for
1998/99

OUTPUT
Achieve or better
targeted revenues
intellectual proper
rights, sale of ser
etc

OUTPUT
Meet data entry
for Human Histor
database

Meet data entry t
for Natural Histor
databases

Meet cataloguing
targets for Libran

Relocate and sto
collections as re
by the Refurbish
Project and docu

Performance Targets sh
The Trust Board an
in the Museum's Mi

STATEMENT OF SERVICE PERFORMANCE KEY PERFORMANCE INDICATORS 1998/1999

CARING FOR TREASURES

OBJECTIVE 1	OUTPUT	TARGET	STATUS 30.6.99
Plan future collections development, rationalisation, registration, storage and servicing	Commission 'Collections Development' Plan	▪ Draft brief by 24.12.98	
		▪ Workshop brief with Board and Staff 28.1.99	
		▪ Workshop draft plan with Board 27.5.99	
		▪ Complete report 30.6.99	▪ Draft Report completed
OBJECTIVE 2	OUTPUT	TARGET	STATUS 30.6.99
Increase financial resources for collections acquisitions, maintenance recording and care	Achieve or better financial outcome from 1999 plan	▪ Acquisitions spend of \$500,000	▪ Spend of \$414,646 including deposit paid of \$177,778 for Castle Collection
	Achieve or better grant funding targets for 1998/99	▪ Achieve or better \$100,000 in funding	▪ \$96,000 achieved
	Achieve or better targeted revenues from intellectual property rights, sale of services etc	▪ Achieve \$6,000 revenue	▪ \$27,464 achieved
OBJECTIVE 3	OUTPUT	TARGET	STATUS 30.6.99
Improve collection records and storage	Meet data entry target for Human History database	▪ Achieve 48,000 new entries	▪ 60,726 new entries achieved
	Meet data entry target for Natural History databases	▪ Achieve 8,000 new entries	▪ 12,373 new entries achieved
	Meet cataloguing targets for Library	▪ Achieve 1,800 new entries	▪ 1,857 new entries achieved
	Relocate and store collections as required by the Refurbishment Project and document	▪ Relocation and storage complete by 30.6.99	▪ Achieved

The presentation of Performance Targets shown in the 1998/1999 Annual Plan was replaced by Key Performance Indicators. The Trust Board and Museum Management made this change so as to present the targets by activities in the Museum's Mission Statement rather than by Function.

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GATHERING KNOWLEDGE

OBJECTIVE 4	OUTPUT	TARGET	STATUS 30.6.99
Provide high quality research based on the Museum's collections and programmes	Commission 'Plan for Research Activity beyond 2000'	<ul style="list-style-type: none">Draft brief by 24.12.98Workshop brief with Board and Staff 28.1.99Workshop draft plan with Board 27.5.99Complete report 30.6.99	<ul style="list-style-type: none">Achieved
OBJECTIVE 5	OUTPUT	TARGET	STATUS 30.6.99
Increase financial resources for scholarly activity	Achieve or better grant funding targets for 1998/99	<ul style="list-style-type: none">Achieve \$115,000 funding	<ul style="list-style-type: none">\$114,026 grants and sponsorship achieved
OBJECTIVE 6	OUTPUT	TARGET	STATUS 30.6.99
Achieve one formal relationship with University, Crown Research or other Tertiary institution or museum of good standing	One formal partnership by June 1999	<ul style="list-style-type: none">Complete Memorandum of Agreement with University of Auckland by 30.1.99Identify priorities and targets for further partnerships for the following three years by 30.6.99	<ul style="list-style-type: none">AchievedIncluded in Ten Year Plan

SHARING KNOWLEDGE

OBJECTIVE 7	OUTPUT	TARGET	STATUS 30.6.99
Provide strategic information for the development and improvement of museum interpretive and educational services, and the Museum's communications with its public	Commission 'Interpretive and Information Services Plan'	<ul style="list-style-type: none">Draft brief by 24.12.98Workshop brief with Board and Staff 28.1.99Workshop draft plan with Board 27.5.99Complete report 30.6.99	<ul style="list-style-type: none">Achieved

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SHARING KNOWLEDGE

OBJECTIVE 8	OUTPUT	TARGET	STATUS 30.6.99
Increase financial resources for educational, interpretive and information services	Achieve or better financial outcomes from 1999 plan	<ul style="list-style-type: none"> Net Exhibition results exceed \$45,000 Grants funding of \$20,000 for exhibitions activity by 30.6.99 Grants funding of \$133,000 for educational activity by 30.6.99 \$30,000 corporate sponsorship for web site developments by 30.6.99 \$15,000 corporate support for non-exhibitions Public Programmes by 30.6.99 \$150,000 corporate sponsorship of exhibitions Increase Library and Resource Centre revenues by 200% over 1997/98 levels 	<ul style="list-style-type: none"> Net Exhibition deficit \$75,517 Exhibition programme suspended mid year Grants funding of \$157,314 achieved Not achieved \$10,500 achieved \$58,000 achieved. Exhibitions programme suspended mid year 100% increase achieved – total revenues \$109,936 (\$54,989 1997/98)
OBJECTIVE 9	OUTPUT	TARGET	STATUS 30.6.99
Plan for improved visitor services, and schedule visitor facilities required in future Museum development	Commission 'Visitor Services Plan'	<ul style="list-style-type: none"> Draft brief by 24.12.98 Workshop brief with Board and Staff 28.1.99 Workshop draft plan with Board 27.5.99 Complete report 30.6.99 	<ul style="list-style-type: none"> Achieved

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SHARING KNOWLEDGE			
OBJECTIVE 10	OUTPUT	TARGET	STATUS 30.6.99
To secure and plan for one major visiting exhibition of broad interest and at least two other temporary exhibitions every year	Popular, high profile, high professional standard exhibitions	<ul style="list-style-type: none"> 'Precious Legacy' by 26.10.98 \$32,000 net income 35,000 visitors 'Wearable Art' by 7.3.99 \$12,108 net income 41,400 visitors 	<ul style="list-style-type: none"> 'Precious Legacy' \$2,701 net income 24,961 visitors 'Wearable Art' \$75,360 deficit 15,083 visitors
	Establish appropriate qualitative measurement methodology	<ul style="list-style-type: none"> Trial methodology with 'Precious Legacy' and report by 24.12.98. Introduce fully for 'Wearable Art' and 'Greece, Rome, Eturia' and report on 24.4.99 	<ul style="list-style-type: none"> Trial achieved Fully introduced, 'Wearable Art'
	Plan and obtain Board approval for temporary exhibitions for 2000	<ul style="list-style-type: none"> Board approval of qualitative and quantitative targets by 31.3.99 	<ul style="list-style-type: none"> Deferred to August 1999
OBJECTIVE 11	OUTPUT	TARGET	STATUS 30.6.99
Provide popular child and family programmes based on sound educational content and principles	Provide Children's Discovery Centre services	<ul style="list-style-type: none"> Achieve 130,000 visitors by 30.6.99 	<ul style="list-style-type: none"> Counting discontinued 25.1.99 with introduction Donation Admission. On target for in excess of 130,000 when counting discontinued
	Provide educational services to schools	<ul style="list-style-type: none"> Achieve 900 CDC memberships by 30.6.99 Achieve 50,000 school visitors by 30.6.99 Achieve 250 school memberships by 30.6.99 	<ul style="list-style-type: none"> 850 with 400 renewals in process 54,076 visits achieved with 99.5% visitor satisfaction Not achieved due to suspension of exhibitions programme and half year of extensive gallery closure
	Provide interpretive support to exhibitions and other general educational programmes	<ul style="list-style-type: none"> Support 3 exhibitions by 30.6.99 Provide 4 workshops by 30.6.99 Provide 10 lectures or performances by 30.6.99 	<ul style="list-style-type: none"> 3 temporary and 3 permanent exhibitions supported 13 workshops provided Total of 40 programmes including lectures and performances achieved

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PROVIDING EFFECTIVE STEWARDSHIP

OBJECTIVE 12	OUTPUT	TARGET	STATUS 30.6.99
To maintain an effective and efficient Refurbishment Project	Open all galleries on time with a very high standard of display and scholarship	<ul style="list-style-type: none"> Second floor remains fully open throughout 1999 First floor fully open excluding NE gallery by 1.1.1999 Ground floor NW gallery open by 1.1.1999 Ground floor NE gallery open progressively from 26.1.1999 Establish qualitative measurement of deliveries to date by 31.3.1999 and 31.12.1999 	<ul style="list-style-type: none"> Achieved Achieved Achieved Achieved Not achieved
	Maintain existing programme on time and under budget	<ul style="list-style-type: none"> All galleries open 31.12.1999 Final project cost under \$43.5m 	<ul style="list-style-type: none"> On target On target
OBJECTIVE 13	OUTPUT	TARGET	STATUS 30.6.99
To achieve funding and financial priorities	Board approved plan for efficient and effective introduction of the Donations Admission regime	<ul style="list-style-type: none"> Board approved Plan including gross monthly revenue, tour party revenue and visitor number projections by 1.11.1998 Introduce 25.1.1999 Plan for revenue net of costs \$171,000 in five months 25.1.1999 to 30.6.1999 Net total budget contribution from Café \$96,000, Store \$300,000 (after rent) Ensure accurate monitoring of revenue, visitor numbers, visitor categories Assess impact on Store and franchisee revenue, and projected average visitor spends in each location by 31.8.1998 	<ul style="list-style-type: none"> Achieved Achieved \$154,219 net achieved Café achieved Store achieved \$266,697 after rent Accurate monitoring of visitor numbers and revenue achieved. Systems for analysis of visitors established Deferred

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PROVIDING EFFECTIVE STEWARDSHIP

OBJECTIVE 13	OUTPUT	TARGET	STATUS 30.6.99
To achieve funding and financial priorities	Successful 'Names in Stone' campaign	<ul style="list-style-type: none"> ▪ \$1,000,000 net by 1.10.1998 	<ul style="list-style-type: none"> ▪ \$1,000,000 net achieved by 30.6.99
	Successful financial outcomes achieving or bettering the 1999 plan	<ul style="list-style-type: none"> ▪ Total operational costs (excluding exhibitions) below \$7,200,000 ▪ Total remuneration costs (excluding extra for Admissions regime) below \$4,000,000 ▪ Deferred maintenance spend of \$725,000 	<ul style="list-style-type: none"> ▪ \$7,169,000 achieved ▪ \$4,109,764 (includes \$44,357 increase in holiday pay liability) ▪ Achieved
	Programmed internal audit reports on effectiveness of agreed expenditure items	<ul style="list-style-type: none"> ▪ Quarterly reports to Finance Committee 	<ul style="list-style-type: none"> ▪ Not achieved
	Identify realistic short-term growth strategies and targets for additional revenue above plan	<ul style="list-style-type: none"> ▪ Trusts and Bequests. Restructure Trusts and Bequests administration by 31.3.1999 	<ul style="list-style-type: none"> ▪ Awaiting final IRD approval for a new Auckland War Memorial Museum Endowment and Bequest Trust
		<ul style="list-style-type: none"> ▪ Circulate membership and MQ readership with bequest information by 18.12.1998 ▪ Provide a Bequests Solicitation pamphlet and distribute to all major law and accounting firms north of Taupo by 30.6.1999 	<ul style="list-style-type: none"> ▪ Achieved May 1999 ▪ Brochure copy prepared – awaiting final IRD approval for a new Auckland War Memorial Museum Endowment and Bequest Trust

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PROVIDING EFFECTIVE STEWARDSHIP

OBJECTIVE 14	OUTPUT	TARGET	STATUS 30.6.99
Positively mobilise stake-holder involvement in achieving the Museum's Mission and Vision	Board approved series of general and specific plans in relation to each stake-holder	▪ Reception for major Trust funders at Museum August 1998	▪ Achieved
		▪ Short term activities approved by Board 31.10.98	▪ Achieved
		▪ Targeted Gallery functions December 1998 and February 1999	▪ Achieved
	Continue rebuild of staff morale and esprit de corps achieving 'buy in' to the Museum's future plan and future goals	▪ Plan workshopped by Board on March 18	▪ Stakeholders Plan completed and adopted by Board for inclusion 2000-2001 Annual Plan
		Staff workshops June 98 and August 98	▪ Achieved
		Staff-wide participation in Ten Year planning Aug-Dec 98	▪ Achieved
		Host two staff-wide social events before June 1999	▪ Achieved
		▪ Conduct climate survey by 18.12.98	▪ Achieved
		▪ Complete staff training and development plan by 30.6.99	▪ Plan completed

**FINANCIAL
STATEMENTS**

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STATEMENT OF FINANCIAL PERFORMANCE

For the year ended 30 June 1999

	Note	Actual 1999 \$000s	Annual Plan 1999 \$000s	Actual 1998 \$000s
REVENUE				
Local Authority Operating Levy		5,029	5,029	5,164
Commercial Activities	1	533	718	925
Total Revenue		5,562	5,747	6,089
EXPENDITURE				
Public Programmes	2	2,397	2,425	2,074
Professional Services	3	2,274	2,223	2,092
Corporate Services	4	964	1,099	1,050
Total Expenditure		5,635	5,747	5,216
Net (Loss)/Income before Exhibition Reserve transfer	5	(73)	-	873
Transfer from / (to) Exhibition Reserve		75	-	(419)
Net Income before Depreciation		2	-	454
Depreciation	6	(2,560)	(2,533)	(1,744)
Net Loss before Deferred Maintenance		(2,558)	(2,533)	(1,290)
Local Authority Deferred Maintenance Levy		500	500	-
Getty Grant Program Architectural Conservation Grant		379	-	-
Deferred Maintenance Expenditure		(879)	(500)	-
Net Loss for the Year		(2,558)	(2,533)	(1,290)
Local Authority Capital Expenditure Levy		500	500	307
Capital Related Trust Fund Appropriations and Grants		432	255	297
Current year's Heritage Assets written off		(237)	(255)	(178)
Net Deficit for the Year after capital transactions		(1,863)	(2,033)	(864)
Local Authority Supplementary Levy		1,000	-	-
Refurbishment Funds received	7	14,302	12,581	8,833
Previous years' Heritage Assets written off	8	-	-	(4,012)
Transfer to Statement of Movements in Equity		13,439	10,548	3,957

The accompanying notes form part of these financial statements.

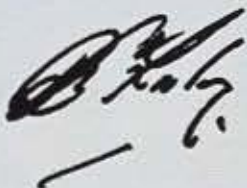
AWMM Ann Report
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STATEMENT OF FINANCIAL POSITION

As at 30 June 1999

	Note	Actual 1999 \$000s	Actual 1998 \$000s
Current Assets			
Cash and Bank		1,056	1,233
Accounts Receivable	9	1,058	577
Inventories	10	285	295
		<u>2,399</u>	<u>2,105</u>
Current Liabilities			
Accounts Payable	11	<u>2,137</u>	<u>3,848</u>
Working Capital			
		262	(1,743)
Non Current Assets			
Investments	12	9,160	8,255
Fixed Assets	13	42,560	32,215
		<u>51,720</u>	<u>40,470</u>
		<u>51,982</u>	<u>38,727</u>
Represented by Public Equity made up of:			
Retained Earnings		45,342	31,903
Exhibition Reserve	14	368	419
Trust and Bequest Funds	15	6,272	6,405
		<u>51,982</u>	<u>38,727</u>

For and on behalf of the Trust Board:



B C Turley
Chairman
22 November 1999



B T W Anderson
Deputy Chairman
22 November 1999

The accompanying notes form part of these financial statements.

STATEMENT OF MOVEMENTS IN EQUITY

For the year ended 30 June 1999

	Note	Actual 1999 \$000s	Actual 1998 \$000s
Equity at 1 July 1998		38,727	33,910
Transfer from Statement of Financial Performance		13,439	3,957
Exhibition Reserve net movement	14	(51)	419
Trust and Bequest Funds net (expenditure) / income	15	(133)	441
Equity at 30 June 1999		<u>51,982</u>	<u>38,727</u>

The accompanying notes form part of these financial statements.

AWMM Ann Report 1998 to 1999

STATEMENT OF CASH FLOWS

For the Year Ended 30 June 1999

	Note	Actual 1999 \$000s	Actual 1998 \$000s
Cash Flows from Operating Activities			
Cash was provided from:			
Levy on Local Authorities		5,029	5,164
Levy on Local Authorities for Deferred Maintenance		500	-
Supplementary Levy Advance on Local Authorities		-	1,000
Receipts from trading		1,368	1,776
Receipts from other sources		1,746	2,130
Interest received		289	229
Dividends received		24	9
		<u>8,956</u>	<u>10,308</u>
Cash was applied to:			
Payments to suppliers and operating expenses		4,433	4,108
Payments to employees		4,111	4,071
Payments relating to Deferred Maintenance		733	-
Payments relating to Restructuring		-	501
Increase in bank deposits (net)		25	434
Interest paid		1	-
		<u>9,303</u>	<u>9,114</u>
Net Cash Flow from Operating Activities	19	<u>(347)</u>	<u>1,194</u>
Cash Flows from Investing Activities			
Cash was provided from:			
Refurbishment Levies		10,252	7,265
Fundraising		3,769	1,114
Bequests received		-	45
Interest received		561	857
Refurbishment Grants received		-	40
Levy on Local Authorities for Equipment & Furniture Fittings		500	307
Capital Related Grant		-	130
Decrease in bank deposits (net)		-	1,290
Dividends received		204	258
Sale of fixed assets		26	-
Sale of shares		-	5
		<u>15,312</u>	<u>11,311</u>
Cash was applied to:			
Increase in bank deposits (net)		979	-
Deposit paid for collection acquisition		178	-
Purchase of shares		3	2
Purchase of fixed assets		13,982	10,986
		<u>15,142</u>	<u>10,988</u>
Net Cash Flow From Investing Activities		<u>170</u>	<u>323</u>
Net increase/(decrease) in cash held		<u>(177)</u>	<u>1,517</u>
Opening Cash Balance		1,233	(284)
Closing Cash Balance		<u>1,056</u>	<u>1,233</u>
Represented by:			
Cash and bank		1,056	1,233
Closing Cash Balance		<u>1,056</u>	<u>1,233</u>

The accompanying notes form part of these financial statements.

STATEMENT OF ACCOUNTING POLICIES

For the Year Ended 30 June 1999

GENERAL ACCOUNTING POLICIES

- i. These financial statements for the Auckland War Memorial Museum are prepared in accordance with Statements of Standard Accounting Practice and Financial Reporting Standards issued by the Institute of Chartered Accountants of New Zealand.
- ii. The measurement basis adopted in the preparation of these financial statements is historical cost, modified by the revaluation of the Investment Property.
- iii. The significant areas of activity reported in these financial statements are Public Programmes and Professional Services.

Particular Accounting Policies

i. Revenue Recognition

- (a) Grants, subsidies and sponsorships are recognised when eligibility has been established by the granting agency and to the extent that any conditions imposed have been met at balance date.
- (b) Trust income is taken directly to the Statement of Movements in Equity and allocated to Trust and Bequest Funds. Appropriations from the Trust and Bequest Funds are transferred to the Statement of Financial Performance.

ii. Inventories

Trading inventory is valued at the lower of cost and net realisable value on a first in first out basis.

iii. Accounts Receivable

Accounts receivable are recorded at net realisable value.

iv. Fixed Assets

(a) Land Lease:

No value has been placed on the lease in perpetuity of the land from the Auckland City Council on which the Museum building is situated.

(b) Heritage Assets:

The cost of acquisition of heritage assets, with the exception of the Museum building, is recorded as a fixed asset in the Statement of Financial Position and then written off in the year acquired as a charge to the Statement of Financial Performance. No value has been assigned to other heritage assets. The classification of the collections as a heritage asset is based on the premise that the collections are held in trust in perpetuity for the benefit of the public.

(c) Operational Assets:

These are stated at cost less accumulated depreciation, or valuation. The valuation basis applied is net realisable value.

v. Depreciation

- (a) All depreciation is calculated on a straight line basis and the respective rates are:

Heritage Assets	Nil
Operational Assets:	
▪ Display Cabinets	10%
▪ Equipment	10%
▪ Computer Equipment	33%
▪ Display Galleries	7-13%
▪ Furniture and Fittings	20%
▪ Motor Vehicles	20%

- (b) Depreciation is not levied on the contributing local authorities; the Museum's capital requirements are levied.

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vi. **Investments**

- (a) Bank deposits, shares and Government Stock are valued at the lower of cost or current market value.
- (b) The Investment Property owned by the Museum through a trust fund, is valued annually at net current value. Changes in value of the investment property are included in Trust and Bequest Funds.

vii. **Research and Development**

Expenditure on research is written off to the Statement of Financial Performance in the year incurred. Development expenditure is carried forward and amortised over the period of expected benefit. There were no unamortised capitalised development expenditures at 30 June 1999.

viii. **Foreign Currency**

Foreign currency assets and liabilities are translated into New Zealand currency at the rates of exchange prevailing at year end. All gains and losses on translation are included in the Statement of Financial Performance.

ix. **Financial Instruments**

Financial instruments are stated at estimated realisable value.

Changes in Accounting Policies

The Museum building has been reclassified as a heritage asset since it is a 'Category 1 Heritage Building' which is held in perpetuity for the benefit of the public, and therefore depreciation has not been charged this year. The value of the Museum's building remains recorded at cost plus additions less accumulated depreciation to 30 June 1998. There have been no other changes in accounting policies during the year.

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 1999

	Actual 1999 \$000s	Annual Plan 1999 \$000s	Actual 1998 \$000s
1. Commercial Activities			
Admission – Audioguide	–	32	–
Admission – Donation	154	171	46
Museum Store	267	300	236
Exhibitions	(75)	45	419
Rentals	227	203	216
Publications and Other	(40)	(33)	8
	<u>533</u>	<u>718</u>	<u>925</u>
2. Public Programmes			
Division Management	199	301	130
Marketing	180	190	130
Exhibition Management and Display	280	289	306
Interpretive Services	247	134	170
Building Operations	1,491	1,511	1,338
	<u>2,397</u>	<u>2,425</u>	<u>2,074</u>
3. Professional Services			
Division Management	221	239	151
Collection Management	1,047	1,024	941
Collection Services	667	576	708
Information Services	339	384	292
	<u>2,274</u>	<u>2,223</u>	<u>2,092</u>
4. Corporate Services			
Management	428	503	451
Iwi Values	86	112	77
Finance and Administration	450	484	522
	<u>964</u>	<u>1,099</u>	<u>1,050</u>

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NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 1999

5. Net (Loss)/Income before Exhibition Reserve transfer

	Actual 1999 \$000s	Annual Plan 1999 \$000s	Actual 1998 \$000s
Income			
Levies from Local Authorities	5,029	5,029	5,164
Interest	267	256	229
Trust Fund Appropriations	69	—	30
Sponsorship	23	60	238
Grants	290	276	330
Donations	21	—	34
Subscriptions	11	15	14
Sundry Income	124	45	65
Admission	693	563	—
Exhibitions	445	292	1,070
Sales – Trading Activities	1,380	1,531	1,776
Rent Received	214	203	191
Total Income	8,566	8,270	9,141
Expenses			
ACC Levies	52	68	65
Auditors' Fees – financial statements	29	30	24
Auditors' Fees – other services	—	—	2
Advertising	202	40	26
Cleaning	260	245	218
Collection Relocation & Servicing	—	—	205
Cost of Sales – Trading Activities	704	750	853
Electricity	256	340	211
Insurance	197	137	142
Interest	1	—	2
Legal Fees	26	15	15
Motor Vehicle Lease	16	8	14
Operating Expenses:			
Commercial Activities	604	432	888
Public Programmes Division	239	382	190
Professional Services Division	568	595	350
Corporate Services	216	363	306
Postage	50	36	28
Professional Fees	127	104	67
PR and Promotion	122	100	50
Rates	105	83	83
Remuneration	4,185	3,932	3,914
Rent	217	238	219
Repairs and Maintenance	216	150	163
Superannuation	22	34	44
Telephone	88	50	59
Trust Board & Taumata-a-Iwi Fees	137	138	130
Total Expenses	8,639	8,270	8,268
Net (Loss)/Income before Exhibition Reserve transfer	(73)	—	873

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 1999

	Actual 1999 \$000s	Annual Plan 1999 \$000s	Actual 1998 \$000s
6. Depreciation			
Depreciation charge for the year	2,236	2,533	1,744
Display cabinets written off	324	-	-
	<u>2,560</u>	<u>2,533</u>	<u>1,744</u>
7. Refurbishment Funds			
Local Authority Refurbishment Levies	18,551	18,551	13,493
Central Government Contribution	12,864	13,729	7,670
Fundraising	6,029	5,689	2,260
Trust and Bequest Funds	-	1,048	-
Interest	1,736	1,522	1,455
Grants	176	-	176
	<u>39,356</u>	<u>40,539</u>	<u>25,054</u>
 Balance at 1 July 1998	 25,054	 27,958	 16,221
 Movement for the year:			
Local Authority Refurbishment Levies	5,058	5,058	4,741
Central Government Contribution	5,194	4,013	2,524
Fundraising	3,769	2,269	1,048
Trust and Bequest Funds	-	1,048	-
Interest	281	193	480
Grants	-	-	40
Refurbishment Funds received	<u>14,302</u>	<u>12,581</u>	<u>8,833</u>
 Refurbishment Funds at 30 June 1999	 <u>39,356</u>	 <u>40,539</u>	 <u>25,054</u>

The contributing Local Authorities have agreed to fund the Refurbishment Project to the extent of \$17 million over a six year period commencing 1 July 1994. Central Government has also agreed to support the Project funding of \$11.6 million over a four year period from 1 July 1995. Central Government contributions are paid on the basis of \$1 for every \$3 of expenditure. These contributions have been recognised on a cash basis due to the fluctuations in expenditure over the period of the Project.

8. Heritage Assets Written Off

As is the generally accepted practice in other international Museums, Heritage Assets or Collections, other than buildings, have been written off in the year. This is consistent with the treatment of gifted Heritage Assets which are not recorded and the subjective nature of valuing Heritage Assets.

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 1999

	Actual 1999 \$000s	Actual 1998 \$000s
9. Accounts Receivable		
Sundry Debtors	559	155
GST	246	229
Interest	48	52
Prepayments	205	141
	<u>1,058</u>	<u>577</u>
10. Inventories		
Museum Store	240	250
Publications	45	45
	<u>285</u>	<u>295</u>
11. Accounts Payable		
Sundry Creditors	1,346	2,085
Levy Received in Advance	-	1,000
Contract Retentions	284	316
Employee Entitlements	507	447
	<u>2,137</u>	<u>3,848</u>
12. Investments		
Bank Term Deposits	7,871	6,868
Other Bank Deposits	11	10
Shares in Public Companies (a)	366	353
	<u>8,248</u>	<u>7,231</u>
Investment Property (b)	912	1,024
	<u>9,160</u>	<u>8,255</u>

(a) The current market value of shares held in public companies at 30 June 1999 is \$566,105 (1998 \$510,236).

(b) The investment property in Manukau City was valued by Mahoney Gardner Churton Ltd, Registered Valuers, as at 30 June 1999 for \$940,000. The net current value includes an allowance for disposal costs of \$28,000.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 1999

		Actual 1999 \$000s	Actual 1998 \$000s
13. Fixed Assets			
Museum Building (at cost)	(d)	15,597	10,319
Accumulated depreciation		(801)	(400)
		<u>14,796</u>	<u>9,919</u>
Display Cabinets (at cost)		35	498
Accumulated depreciation		(12)	(149)
		<u>23</u>	<u>349</u>
Furniture and Fittings (at cost)		1,265	1,134
Accumulated depreciation		(1,019)	(871)
		<u>246</u>	<u>263</u>
Equipment (at cost)		5,990	5,110
Accumulated depreciation		(2,082)	(1,358)
		<u>3,908</u>	<u>3,752</u>
Motor Vehicles (at cost)		34	15
Accumulated depreciation		(10)	(15)
		<u>24</u>	<u>-</u>
Exhibition and Gallery Development (at cost)	(d)	-	8,658
Accumulated depreciation		-	(1,502)
		<u>-</u>	<u>7,156</u>
Display Galleries (at cost)	(d)	15,090	-
Accumulated depreciation		(2,495)	-
		<u>12,595</u>	<u>-</u>
Capital Work in Progress (at cost)		10,968	10,776
Total Fixed Assets		<u>42,560</u>	<u>32,215</u>

- (a) The latest Government Valuation of the Museum Building is \$22,800,000 (September 1997). Phases of the Museum Refurbishment Project that were completed during the year were capitalised and included in Display Galleries, Equipment and Museum Building. Those projects that were still in progress at balance date are included as Capital Work in Progress.
- (b) A survey of the Museum's collection was completed in 1992. This inventory listed 2,728,408 items with an estimated replacement value of \$559,232,000. Management considers this estimate to be conservative.
- (c) The depreciation charge for the year was \$2,236,138 (1998 \$1,743,528).
- (d) There has been a review and reclassification of Exhibition and Gallery Development assets in the year which has resulted in the transfer of the related cost of \$8,657,925 and accumulated depreciation of \$1,502,238 to Display Galleries (cost \$6,078,143, accumulated depreciation \$1,101,262 - 30 June 1998) and Museum building (cost \$2,579,782, accumulated depreciation \$400,976 - 30 June 1998).

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 1999

	Actual 1999 \$000s	Actual 1998 \$000s
14. Exhibition Reserve		
Balance at 1 July 1998	419	-
Movement for the year:		
Transfer of special exhibitions net income	-	419
Transfer to Statement of Financial Performance	(75)	-
Interest	24	-
	(51)	419
Exhibition Reserve at 30 June 1999	<u>368</u>	<u>419</u>
15. Trust and Bequest Funds		
Income		
Interest	274	397
Dividends and Other Income	215	244
Investment Property Revaluation	(121)	(48)
Bequests	-	45
Total Income	<u>368</u>	<u>638</u>
Appropriations	<u>501</u>	<u>197</u>
Net (Expenditure)/Income	(133)	441
Trust Funds at 1 July 1998	<u>6,405</u>	<u>5,964</u>
Trust Funds at 30 June 1999	<u>6,272</u>	<u>6,405</u>
Represented by:		
L A Spedding Bequest	1,761	1,667
W L Cooke Family Trust	1,508	1,394
E Earle Vaile Trust	949	1,098
Nancy Bamford	503	501
T I Whitney Trust	448	412
Firth Dinosaurs Fund	259	265
Heap Library Trust	243	228
A G W Dunningham	91	86
Life Members Subscription Trust	85	81
Library Purposes Fund	61	63
Memorial Hall Donations Fund	58	55
E F Hilton Trust	56	53
Eleanor L Hellaby Bequest	46	44
Disney Art Trust	25	112
Catherine E Tong	21	20
Speciman Purchase Fund	20	19
Whitney Estate	18	17
Bertha Wilson	15	14
Sir John Logan Campbell	15	14
Mildred Strew	14	27
Curtain Fund	13	12
C H Worth Memorial Trust	3	32
General Endowment	-	55
Museum Endowment	-	36
Accumulating Endowment	-	15
Other Trusts and Bequests (under \$10,000)	60	85
	<u>6,272</u>	<u>6,405</u>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 1999

16. Commitments under Leases

At 30 June 1999 commitments under non-cancellable operating leases on motor vehicles and a property:

	Actual 1999 \$000s	Actual 1998 \$000s
Less than 1 year	123	107
Between 1 and 2 years	117	107
Between 2 and 5 years	153	258
Over 5 years	—	—
	<u>393</u>	<u>472</u>

17. Capital Commitments

There were capital commitments at 30 June 1999 in respect of:

Refurbishment Project costs	2,734	1,083
Collection acquisition expenditure	300	—
	<u>3,034</u>	<u>1,083</u>

Funding for the Refurbishment Project has been agreed by the contributing Local Authorities and Central Government.

18. Contingent Liabilities

The Museum has a contingent liability in respect of the Accident Compensation Commission's (ACC) residual claims levy. The levy will be payable annually from May 1999 for up to 15 years. The Museum's future liability is a function of ACC's unfunded liability for past claims and future payments to employees by the Museum.

At 30 June 1999 there were no other contingent liabilities (1998 nil).

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 1999

	Actual 1999 \$000s	Actual 1998 \$000s
19. Reconciliation of Net Loss for the Year to Net Cash Flow from Operating Activities		
Reported Net Loss for the Year	(2,558)	(1,290)
Add non-cash items:		
Depreciation	2,560	1,744
Add (less) movements in working capital		
(Increase)/Decrease in accounts receivable	(481)	213
Decrease in inventory	10	43
(Decrease)/Increase in accounts payable	(1,710)	937
	(2,181)	1,193
Add (less) items classified as investing activity:		
Trust fund appropriations	-	(30)
Decrease/(Increase) in account payable relating to investing activities	832	(357)
Decrease in account receivable relating to investing activities	-	(66)
	832	(453)
Add Local Authority Supplementary Levy not included in Net Loss for the Year	1,000	-
Net Cash Flow from Operating Activities	(347)	1,194

20. Segment Information

The Auckland War Memorial Museum is governed by the Auckland War Memorial Museum Act 1996 and operates primarily in the Auckland Province.

21. Financial Instruments

The nature of activity and management policies with respect to financial instruments is:

- (1) **Currency and interest rate risk**
The Museum has exposure to foreign exchange risk as a result of transactions denominated in foreign currencies arising from investing activities. Foreign exchange risks are not hedged by the Museum as the balances are minimal.
The Museum has no exposure to interest rate risk as there are no external borrowings and investments are short term.
- (2) **Concentration of credit risk**
In the normal course of its business, the Museum incurs credit risk from trade debtors and transactions with financial institutions. The Museum has a concentration of risk with respect to funds on deposit at financial institutions. The Museum minimises this risk by placing funds on deposit with financial institutions which have been credited an 'AA' rating by Standard and Poors.
- (3) **Fair values**
The carrying value of cash and liquid deposits, debtors, trade creditors, other and sundry debtors and creditors, is equivalent to their fair value.



AUDIT REPORT TO THE AUCKLAND MUSEUM TRUST BOARD

We have audited the financial statements on pages 19 to 32 and statement of service performance on pages 11 to 17. The financial statements provide information about the past financial performance of the Auckland War Memorial Museum and its financial position as at 30 June 1999. This information is stated in accordance with the accounting policies set out on pages 23 to 24. The performance information specifies the performance targets and other measures by which the performance of the Auckland War Memorial Museum can be judged in relation to its objectives.

Trust Board Responsibilities

Section 28 of the Auckland War Memorial Museum Act 1996 requires the Trust Board to prepare a financial report which fairly reflects the financial position of the Auckland War Memorial Museum as at 30 June 1999 and of the results of its operations and cash flows for the year ended 30 June 1999. The Auckland War Memorial Museum Act 1996 also requires the Board to report the performance targets and other measures by which the Museum's performance can be judged in relation to its objectives.

Auditors' Responsibilities

It is our responsibility, in terms of Section 27 of the Auckland War Memorial Museum Act 1996, to express an independent opinion on the financial statements and statement of service performance presented by the Trust Board and report our opinion to you.

Basis of Opinion

An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements and statement of service performance. It also includes assessing:

- the significant estimates and judgements made by the Trust Board in the preparation of the financial statements and statement of service performance, and
- whether the accounting policies are appropriate to the Auckland War Memorial Museum's circumstances, consistently applied and adequately disclosed.

We conducted our audit in accordance with generally accepted auditing standards in New Zealand. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements and statement of service performance information are free from material misstatements, whether caused by fraud or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements and statement of service performance.

Other than in our capacity as auditors and providing certain consultancy advice we have no other relationship with or interests in the Auckland War Memorial Museum.

Unqualified Opinion

We have obtained all the information and explanations that we have required.

In our opinion:

- proper accounting records have been kept by the Auckland War Memorial Museum as far as appears from our examination of those records;
- the financial statements of the Auckland War Memorial Museum on pages 19 to 32:
 - comply with generally accepted accounting practice;
 - give a true and fair view of the financial position of the Auckland War Memorial Museum as at 30 June 1999 and the results of its operations and cashflows for the year ended on that date; and
- the performance information of the Auckland War Memorial Museum on pages 11 to 17 gives a true and fair view of the achievements in relation to the key performance indicators and other measures adopted for the year ended 30 June 1999. As noted on the face of the statement of service performance the key performance indicators have been adopted by the Trust Board during the year, replacing the performance targets as set out in the 1999 Annual Plan document.

Annual Plan

The Annual Plan 1999 information within the financial statements has been agreed to the Auckland War Memorial Museum's Annual Plan document prepared by the Trust Board in terms of Section 22 of the Auckland War Memorial Museum Act 1996.

Our audit was completed on 22 November 1999 and our unqualified opinion is expressed as at that date.

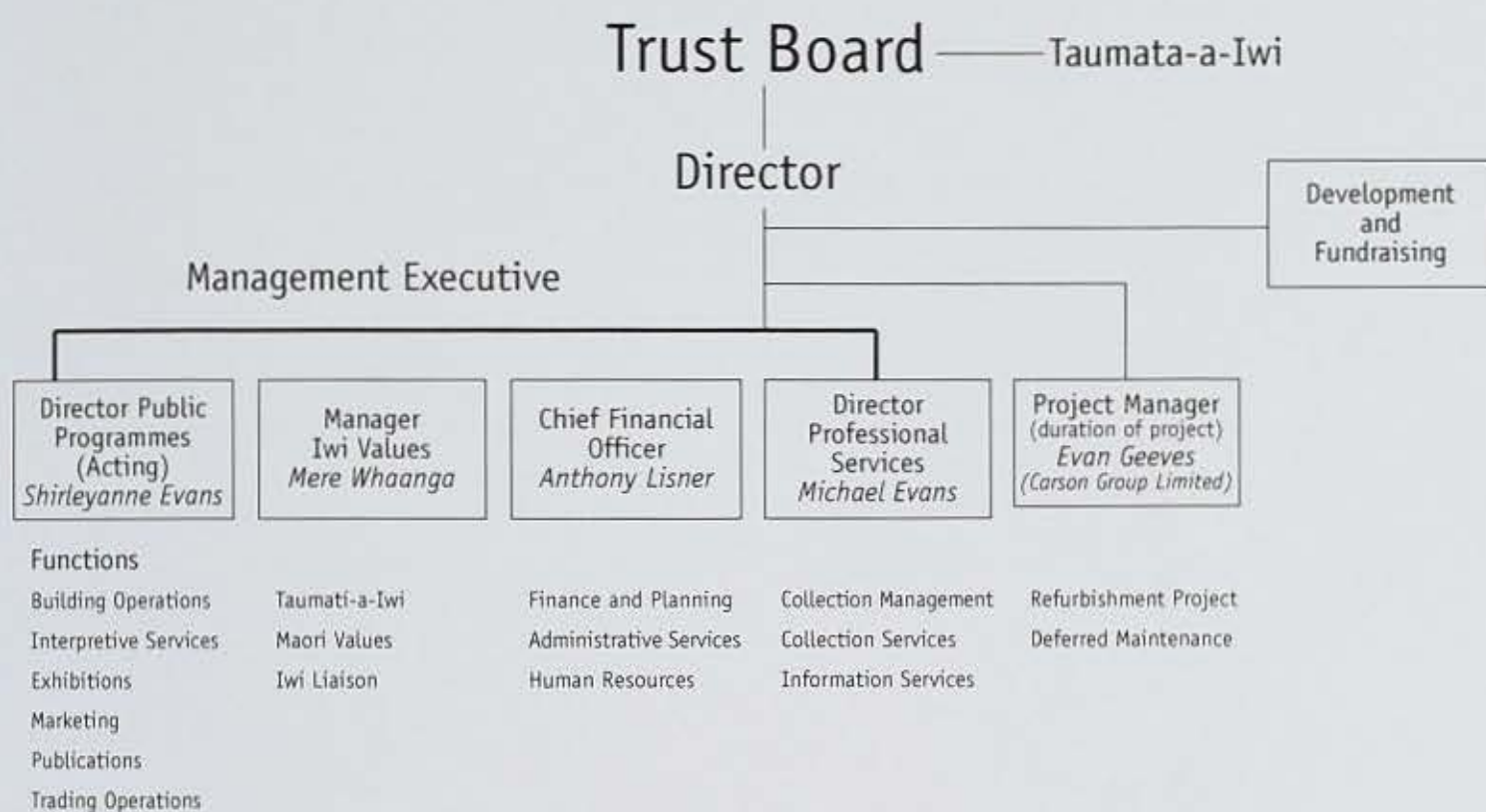
Deloitte Touche Tohmatsu

AUCKLAND, NEW ZEALAND

CHARTERED ACCOUNTANTS

APPENDIX

OUR ORGANISATION



Auckland Museum Trust Board 1998/99

Chairman:

Deputy Chairman:

Mr Barry C Turley
 Mr Bruce T W Anderson
 Dr Roderick L Bieleski
 Mr John Coster
 Mr Peter S Drummond
 Mr Gordon C Ell
 Ms Anne Grace
 Sir Hugh Kawharu
 Mrs Kay J McIntyre
 Mr Arthur Valabh

Taumata-a-Iwi

Chairman:

Mr Danny Tumahai
 Mrs Hariata Gordon
 Mr Bernard Makoare
 Mr Martin Mariassouce
 Mr Brownie Rauwhero

Management Executive

Director:

Director Professional Services:

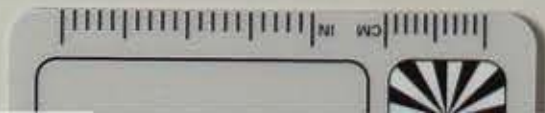
Director Public Programmes (Acting):

Chief Financial Officer:

Manager Iwi Values:

Dr T L Rodney Wilson
 Mr Michael W Evans
 Ms Shirleyanne Evans
 Mr Anthony J T Lisner
 Ms Mere Whaanga

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